

HCS SB 455 -- COORDINATING BOARD FOR HIGHER EDUCATION

SPONSOR: Pearce (Thomson)

COMMITTEE ACTION: Voted "do pass" by the Committee on Higher Education by a vote of 11 to 0.

This substitute changes the laws regarding the duties and authority of the Coordinating Board for Higher Education within the Department of Higher Education and the laws regarding proprietary schools.

The substitute:

- (1) Requires all two- and four-year public higher education institutions to identify and use best practices in remediation, eliminating practices that have been found to be ineffective or those which delay students from enrollment in college-level courses;
- (2) Requires all two- and four-year public higher education institutions to cooperate with the committee on transfer and articulation to create by July 1, 2014, a statewide course library of at least 25 lower division courses that are transferable among all public higher education institutions;
- (3) Requires the board to develop a policy to foster reverse transfer so that any student who has acquired sufficient hours from more than one public institution that grants an associate degree may more easily attain that degree;
- (4) Allows the board to charge fees to out-of-state public institutions for the costs of reviewing and assuring the quality of programs they offer;
- (5) Requires the board to include in its annual report to the Governor and General Assembly campus-level data on student persistence and progress toward implementing the additional duties required under the substitute;
- (6) Changes the laws regarding the coordinating board's responsibility for proprietary schools to:
  - (a) Permit a proprietary school that has been in operation for at least five years to apply to the board for a two-year certificate of approval;
  - (b) Allow the board to increase the base fee charged by the board for an annual certificate of approval from one-tenth of a cent to thirteen one-hundredths of a cent per \$1 of net tuition

and fees income with a maximum fee of \$5,000 and a minimum fee of \$500 per school. Currently, the minimum fee is \$250 with a maximum of \$2,500. The fee for a certificate of approval to recruit students is raised from \$250 to \$500, with a maximum of \$5,000. The Coordinating Board for Higher Education may increase the base fee and the minimum and maximum amounts by administrative rule every five years, beginning in Fiscal Year 2013, to no more than the federal Consumer Price Index since the last fee increase;

(c) Allow the board to establish fees through administrative rule for generating sufficient funding to cover the costs associated with the certification program, with the advice of the Proprietary School Advisory Committee; and

(d) Review a new program proposal within 90 days and a revised program within 60 days of submission from a certified school. If the review has not occurred in that period, the program may be offered until the department completes its review and identifies a substantive issue for correction. The school will have 90 days after notification of the deficiency to correct the deficiency without ceasing to offer the program;

(7) Creates the Proprietary School Certification Fund to fund the costs associated with the operation of the program;

(8) Increases the maximum bond for a proprietary school from \$25,000 to 100,000;

(9) Requires the Department of Higher Education to collect only that data needed to supervise the proprietary program and, upon appropriations, to provide a system for the electronic submission of all data;

(10) Changes the responsibility for the appointment of the members of the Proprietary School Advisory Committee from the Coordinating Board to the Commissioner of Higher Education and requires that at least three of the seven members of the committee represent degree-granting schools and at least one of the three represents a school that confers a bachelor's degree or higher; and

(11) Allows the department to take action against any violation of the proprietary school laws that is authorized in Section 407.020, RSMo, relating to unlawful merchandising practices.

FISCAL NOTE: No impact on General Revenue Fund in FY 2013, FY 2014, and FY 2015. Estimated Net Cost on Other State Funds of Unknown - Could exceed \$100,000 in FY 2013, FY 2014, and FY 2015.

PROPONENTS: Supporters say that time is the enemy of college completion; the longer the time to degree, the less likely the student is to graduate. The bill will focus resources on making transfers easier, making remedial study more effective, and providing credentials for qualified students.

Testifying for the bill were Senator Pearce; Department of Higher Education; Hal Higdon, Missouri Community College Association and President of Ozarks Technical College; and University of Central Missouri.

OPPONENTS: There was no opposition voiced to the committee.